## **REMARKS**

Applicant respectfully requests reconsideration of this application as amended. Claims 12, 13, 15 and 18-20 are pending in the application. Claims 12 and 18 have been amended. No claims have been added. Claims 15 and 20 have been canceled without prejudice.

The Examiner rejected claims 12, 13, 18 and 19 under 35 U.S.C. § 103 as being unpatentable over Donescu in view of Hayashi. Applicant respectfully disagrees.

Claim 12 as amended is as follows:

## 12. An image processing apparatus, comprising:

a characteristics extracting unit to extract characteristics of wavelet coefficients of one or a plurality of rectangular regions dividing an image, wherein the characteristics of wavelet coefficients extracted by the characteristics extracting unit are based on the frequency components included in each of the rectangular regions;

an embedding specification determination unit to determine, in accordance with the extracted characteristics of the wavelet coefficients for each rectangular region, an embedding specification of digital watermark data with respect to the wavelet coefficients, wherein when a rectangular region includes a lot of high frequency components, the embedding specification determination unit determines that an amount of embedding information of the digital watermark data is heavy, and when the rectangular region does not include a lot of high frequency components, the embedding specification determination unit determines that an amount of embedding information of the digital watermark is light; and

a digital watermark embedding unit to embed the digital watermark data into the wavelet coefficients for each rectangular region in accordance with the embedding specification of each rectangular region.

As set forth above, Claim 12 sets forth an image processing apparatus that includes an embedding specification determination unit that determines that an amount of embedding information of the digital watermark data is heavy when a rectangular region includes a lot of high frequency components and determines that an amount of embedding information of the digital watermark is light when the rectangular region does not include a lot of high frequency components.

Neither Donescu nor Hayashi disclose such a feature. The Examiner cited Hayashi as teaching for the claimed feature of "when . . . . is heavy" However, Hayashi merely discloses "to embed digital-watermark information without deteriorating an original image, the digital-watermark information must be embedded in sub-bands composed of high-frequency components." Hayashi does not suggest determining an amount of embedding information according to whether a lot of high frequency components are included in the rectangular region as claimed. That is, Hayashi does not suggest "when a rectangular region includes a lot of high frequency components, the embedding specification determination unit determines that an amount of embedding information of the digital watermark is heavy, and when the rectangular region does not include a lot of high frequency components, the embedding specification determination unit determines that an amount of embedding information of the digital watermark is light." In view of this, Applicant respectfully submits that the combination of Donescu and Hayashi does not set forth all the limitations in Claim 12. Therefore, Applicant respectfully submits that the present invention is not obvious in view of Donescu and Hayashi.

The Examiner rejected claims 15 and 20 under 35 U.S.C. § 103(a) as being unpatentable over Donescu in view of Rhoads (PGPUB-DOCUMENT-NUMBER: 20040001608). Applicant has cancelled these claims without prejudice. Therefore, Applicant respectfully submits that the rejection has been obviated.

Accordingly, Applicants respectfully submit that the objections and rejections to the claims have been overcome by the amendments and the remarks and withdrawal of these rejections is respectfully requested. Applicants submit that Claims 12-13 and 18-19 as amended are in condition for allowance and such action is earnestly solicited.

If there are any additional charges, please charge Deposit Account No. 02-2666 for any fee deficiency that may be due.

Respectfully submitted,

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